
PRESIDENT'S ADVISORY
BOARD
ON FEDERAL TAX REFORM

January 25, 2005
MAR -8 P 3:00

Senator John Breaux
321 S. Carolina Avenue, SE
Washington, D C 20002

Senator Connie Mack
5100 S. Cleveland Avenue
#318-388
Ft. Myers, FL 33907

Frankly,
Senators ...

... I had planned to run the
attached as a full page ad in the
Washington Post.

JENO F. PAULUCCI
Charter Member, World Entrepreneur Hall of Fame
Founder and Chairman • The Centuria Group
EXECUTIVE HEADQUARTERS: PAULUCCI BUILDING • SANFORD, FLORIDA 32771
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(218) 723-5461 • FAX (218) 723-5577

The Centuria Group
Luigino's Inc.
Michalina's*
Budget Gourmet*
Paulucci International
Republic Banks
Arden International LLC
Self Serve Foods, Inc.
Heathrow Land & Development Corp.
Etor Properties, LLC
Paulucci Family Foundation

January 25, 2005

Page Two

I definitely feel that it is politically correct.

When we are spending in the year 2005, over \$100 billion on the Iraq war, we should pay for it.

Therefore, that is why I am advocating, per the wording in the attached ad that I had intended to run in the Washington Post, that a sur tax be assessed.

We had an excess profits tax during the Korean War. I don't recall what President Roosevelt did during WW II, but we paid for it and did not just charge it to the deficit for our children and our children's children to pay for it.

January 26, 2005
Page Three

This will also, in my opinion, make the new tax plan that you are working on much more palatable to the American public as well as both sides of the political aisle.

Think about it.

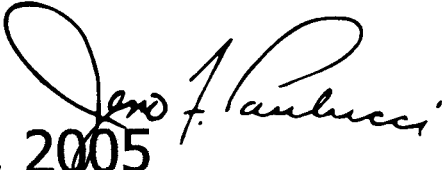
Kindest Regards,



Jeno F. Paulucci

JFP/cd

Dictated via long distance

January 20, 2005 

Senator John Breaux
321 S. Carolina Avenue, SE
Washington, D C 20002

It has been
suggested, Senator ...

... that I write to you, being
you are now heading up a committee
for tax simplification for President
George W. Bush.

The correspondence between myself
and former President George H. Bush
explains my thinking concerning a
Business Responsibility Council that I
had proposed years ago but which is
still applicable to us today.

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January 20, 2005

Page Two

I am also enclosing a copy of this Business Responsibility plan for your review.

I would be very happy to discuss this with you personally or with your committee.

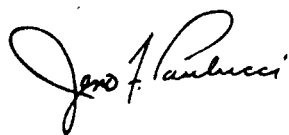
Kindest Regards,



Jeno F. Paulucci

JFP/cd

Dictated via long distance



January 25, 2004

Open Letter to
President George W. Bush
and The 109th Congress

**Let's begin your non-partisan New Year's Resolutions
with this recommendation for the good of our great nation:**

1. Pass a surtax on all taxes paid on incomes over \$100,000 a year
to pay for the war in Iraq. Lets not mortgage the future of our children
and grandchildren, but pay for this war as it goes along.

2. At long last, let's raise the \$5.15 minimum wage to a living wage for the
working men and women of this country to at least \$7.50 per hour, even if it
has to be done gradually over a period of time.

3. Revive the business Responsibility Plan that President Gerald Ford had
endorsed which would encourage the business community, corporations
and entrepreneurs to use up to 5% of their pre-tax profits for civic
and public project needs, working together with government.
A business responsibility program is needed...we should no longer
rely solely on the government.

4. The United States Government should immediately take on the task
and subsidize the renovation of our railroad beds and system throughout
the country and then lease them to fast-train operators. The country
desperately needs a back-up for our commercial aircraft system to protect
the needs and safety of it's citizens.

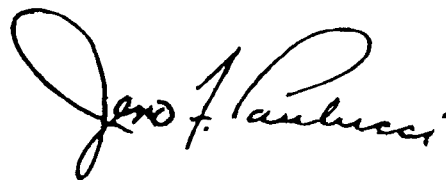


Jeno F. Paulucci
Reciept of First International Lifetime
Award for Activism, Entrepreneurship
and Leadership worldwide by
Ernst & Young, over the past 18 years.
November, 2004

JENO F. PAULUCCI, CHAIRMAN • LUIGINO'S, INC.
EXECUTIVE HEADQUARTERS: PAULUCCI BUILDING • SANFORD, FLORIDA 32771
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FIRST CHAIRMAN AND FOUNDER
CHUN KING CORPORATION • WILDERNESS FOODS INC.
R.J. REYNOLDS FOODS INC. • JENO'S INC.
SELF SERVE CENTERS, INC.
THE NATIONAL ITALIAN AMERICAN FOUNDATION

MICHELINA'S
REPUBLIC BANKS
THE JENO & LOIS PAULUCCI
FAMILY FOUNDATION
LUIGINO'S PASTA & STEAKHOUSES
HIBBING PARK HOTEL
ETOR PROPERTIES

Priority Mail

December 23, 2004

President George H. Bush
 P.O. Box 79798
 Houston, TX 77279

Some time ago ...

... Mr. President, I sent you the enclosed booklet outlining the Business Responsibility Council program that at one time President Ford and his Secretary Richardson, along with Alan Greenspan, had approved, and were going to implement, except the problem of course being that President Ford did not get re-elected.

I sent you a copy of this some time ago, and you said, "Well, Jeno, interesting, but I don't interfere with the administration."

I am, therefore, trying again. Not to interfere with the administration, but to pass it on to the proper people, plus possibly the new Secretary of Commerce, or the economic advisor to the President.

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President George H. Bush
December 23, 2004

We must take into account, Mr. President, that your son, the President of the United States is now, rightfully so, trying to reorganize the tax structure.

Also, hopefully, reduce the estate tax to at least a maximum of 20%, which I think would be okay.

As a result, he is going to get a hell of a lot of criticism from the Democratic side of the aisle and the media. You know it and I know it.

Therefore, isn't it timely to dial the business community in, per the proposal enclosed, where those who want to would contribute up to 5% of their pre-tax profits, which is really a net cost of about 3% after tax, to use regionally, within their own area of business, working with other businesses or on their own, as outlined in this book, to take on certain civic projects, to help with new housing for the homeless, or whatever it is, working with government.

But we know that private enterprise dollars are worth five to ten times what government funding would cost.

Page Three

President George H. Bush

December 23, 2004

If the entrepreneurs of today, plus the large corporations, would take on their civic duty, in my opinion, of plowing part of their profits back into the community, the state, the nation, same as the farmer does in order to get the next harvest, we then don't have to rely totally on government to take care of these needs.

And let's protect the deficit while we cut the taxes. That's what I'm driving at.

So I wish you would think it over again and pass this on to someone in the new President Bush's administration to take a look at it because it is timely. If ever it was timely, it was now, with the new tax structure that the President is going to be working on. It would also help reduce the estate tax, which is, selfishly, is something I sure as hell want.

Page Four
President George H. Bush
December 23, 2004

I hope you will pass this on. In any event, I've taken the privilege and pleasure of writing to you again, which is always a true enjoyment.

Kindest regards,



Jeno F. Paulucci

JFP/jm04.2780/enc.

Ps. Please see enclosed tape.

Merry Christmas and a Happy New Year to both you and Barbara.

*The President's
Council for
Business
Responsibility*

The President's Council for Business Responsibility

A Proposal for
Organization,
Establishment
and Operations

By: Jeno F. Paulucci
Paulucci International
Paulucci Building
Sanford, FL 32771

PROPOSED:

The President's Council for Business Responsibility

CONCEPT:

Appointment, organization, establishment and operation of **The President's Council for Business Responsibility** which would actively pursue and generate involvement of the private business sector in funding and administering specific regional programs to meet civic and social needs, particularly in relation to regional economic and environmental rehabilitation objectives.

NEED:

The American public has demonstrated a lack of knowledge and understanding of the free enterprise system and indicates a generalized opinion that business is too concerned with profits and not concerned enough with public responsibilities. It is incumbent upon business, in its own behalf, to correct both the facts and the images that prevail.

- A.** America's 200 largest corporations control nearly 80 percent of the nation's products and services, a situation resulting in deterioration of the free enterprise system because all of the remainder of businesses are competing with those 200 for only 20 percent of the remaining market.
- B.** The past conduct of some major corporations is creating a lack of credibility in business among the American public because of incidents of corporate bribes, tax dodges, mishandling of pension funds, shoddiness of product quality and value, and an apparent lack of ethical standards in business.

- C.** The abdication by business to a great degree of its public responsibilities has brought about increasing federal government encroachment into the daily lives of its citizens and companies, to the extent of becoming close to a socialistic system.
- D.** Billions of dollars are being spent, at federal deficit, for civic and social welfare programs which could be better administered through the private sector if regional business responsibility organizations were established. Such organizations would be privately administered by the business community and funded by a maximum of up to 5 percent of pre-tax income from such corporations on a voluntary basis.
- E.** Pre-tax dollars, professionally administered by business concerns, would reduce the amount required of the federal government for civic and social programs, resulting in reduction of the federal debt, restoration of the free enterprise system, and business would regain the confidence and support of the American people.

FUNCTION:

The President's Council for Business Responsibility would promote, counsel and organize on a voluntary basis the largest corporations, foundations and labor organizations to fund and administer regional business responsibility organizations, reducing the role of federal government in meeting primary civic and social needs of the region.

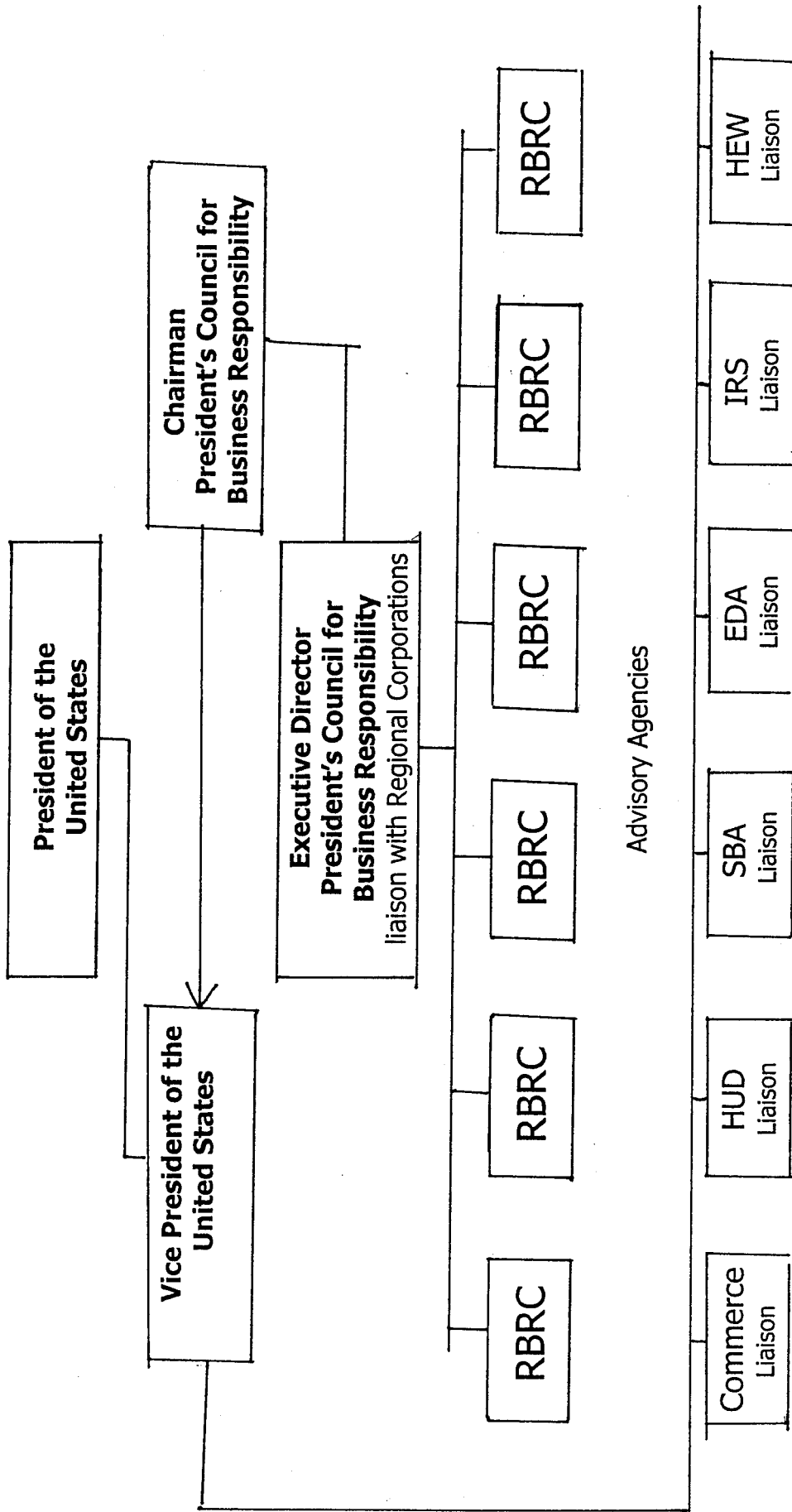
ORGANIZATION:

The President's Council for Business Responsibility would derive its authority and responsibility from the President of the United States and the presiding Chairman/CEO would be appointed by the President of the United States. The council would be a non-partisan group consisting of five members of the national business community who would serve without compensation. The council's base would be in Washington, DC, where it would meet periodically and report as designated by the President.

BUDGET:

Since council members will serve without compensation, only a minimal budget will be required for administrative, operational and travel expenses incurred in the conduct of the council's duties, with the funding to come from the up to 5 percent pre-tax funds contributed by the cooperating corporations and businesses.

The President's Council for Business Responsibility



RBRC -- Regional Business Responsibility Corporation

The President's Council for Business Responsibility

Questions and Answers

Dating back to days during President Gerald Ford's administration, Jeno F. Paulucci had proposed formulation of The President's Council for Business Responsibility, a program totally voluntary in nature with the business community's response anticipated to be such that the program would be national in character.

Examination of the proposal by then Secretary of Commerce Eliot Richardson had brought specific questions to be considered. Following are responses to primary questions.

The President's Council for Business Responsibility

QUESTION 1: Given that the program is directed toward regional socioeconomic problems with "public" projects and programs involved, would not the level of funding for the **Regional Business Responsibility Corporations** be functionally related to the business cycle? That is, if the percentage as well as the absolute value of the contributions fluctuate with the business cycle, what effect would this have on the projects or programs of the corporations already under way?

ANSWER: The premise of the **Regional Business Responsibility Corporation** is based on normal business practices, and must be so to prevent the start-stall syndrome experienced when government relies on deficit spending policies and a haphazard philosophy that can undercut funding for worthwhile programs before they have an opportunity to bloom and prove their worth.

Any planned program or project would involve certain expenditures over a certain period of time to be completely successful. The same form of controls, budgets, funding plan and commitments that corporations would employ on a private business project must apply to the **Regional Business Responsibility Corporation** project.

No program would be embarked upon which required a certain specific number of dollars and years unless the corporations involved in the **Regional Business Responsibility Corporation** organization had committed themselves – in terms of dollars and years – to bearing their share of the program.

The wasteful extravagance we are trying to preclude is the sporadic approach of initially funding a program, setting up the necessary organization, then withdrawing funding because of whims or pressures before the program has had its opportunity of proof. This has been, in many cases, the approach of governmental programs. It has seldom, if ever, been a businesslike approach, and has never been a successful approach.

The President's Council for Business Responsibility

QUESTION 2: The proposal states that each region (**Responsibility Corporation**) would receive funds contributed by its members. If so, will the donations be collected and dispensed by the geographic location of the home offices of the corporations or by the geographic location of the plants where the income is earned? If the home office's region was identified as the point where the funds would be allocated, a redistribution of social well-being could be anticipated.

ANSWER: The plan is based on regional organizations as outlined earlier and not based on restricting funds to the geographic location of headquarters of the corporations.

The system used by Dayton-Hudson for years in which they allocate up to 5% of their pre-tax income has been to allocate a certain amount of that for their own private implementation for the United Fund, Red Cross, etc. Then the rest of it is allocated to those areas in which they do business on a basis of need for joining hands with other corporations in launching worthwhile projects.

Most major corporations in the U.S. do business on a national basis. Therefore, it would be in direct ratio to where they do business, and the **Regional Business Responsibility Corporations** would do what they could with each corporation to secure part of their funds, up to the 5%, for allocation to such specific regional organization. Again, this has to be done on a negotiated basis.

Most major corporations will readily recognize the favorable corporate image that would ensue from such responsible participation which would be best served where their manufacturing or processing plants – their major base of employment – are located and their participation can be readily, frequently recognized rather than some disassociated recognition from a remote headquarters. All good that accrues in the plant community on behalf of the corporation also is reflected on the corporation. The reverse is not always true, because it does not have first-hand believability.

The President's Council for Business Responsibility

QUESTION 3: How would the regions be Identified? In order to "cover the nation," the geographic distribution of the corporate community would have to be considered.

ANSWER: The regions would be such that you Would start region by region, such as is done in marketing -- market by market. Possibly begin with three regions -- one is the East, one in the West, and one in the Middle West; the latter, of course, is pretty well started by corporations in the Minnesota area.

Then, as the **Regional Business Responsibility Corporations** are beginning to function, would be added, which would result in complete coverage of the United States.

Let's bear in mind that we are beyond our 200th anniversary as a nation and nothing has been done up to now. We don't suggest that it will take another 200 years, but would rather say that five years to implement this program on a nationwide basis might be a long time. If it does take that long, it still is a lot better than what we have done to date. It is better to go slowly and carefully than to rush pell-mell.

The President's Council for Business Responsibility

QUESTION 4: Will the up to 5% contributions to the **Regional Business Responsibility Corporations** be a substitute for other voluntary agencies such as the Red Cross or United Fund?

ANSWER: In our judgment, it will never be a substitute for the local voluntary agencies contribution, such as the Red Cross or United Fund.

The corporations have got to be sold on this idea. That's the part the Chairman and Executive Director would be required to manage with each possible cooperating member.

For example, this idea was brought years ago to the attention of 3M Companies. First, they rebuffed us. Later they came back and said they wouldn't come in with 5%, but to begin with a certain committed dollar amount in order to get their stockholders a little accustomed to this. Eventually, we are sure they would have come up to the 5% level, and still that would remain separate from their contributions to such voluntary agencies as the Red Cross and others.

The President's Council for Business Responsibility

QUESTION 5: The coordination between the **Regional Business Responsibility Corporations** and federal agencies has been explicitly identified in the proposal. Will coordination exist between the **Responsibility Corporations** and organizations such as state and local industrial development corporations, state and local Chambers of Commerce, and the National Association of Manufacturers? Since the major regional and community leaders are associated with those organizations and also will be associated with the **Responsibility Corporations**, such coordination and interactions would seem to follow. It would be helpful to know how this is envisioned.

ANSWER: Let's realize that for the **Regional Business Responsibility Corporations** to succeed on this premise, they must work with the Washington office which will act as a catalyst and liaison between the various federal agencies and other local and state offices and the **Regional Business Responsibility Corporations**.

The purpose would be to get the absolute maximum leverage jointly from every dollar that is available on the federal, state, county and city level as well as all of the effort and organization prevalent to get the most important programs working on a coordinated basis, utilizing the highest leverage possible of the funds available. It does not mean that any of the public officials involved in the above would have any active part as directors or in management of the **Regional Business Responsibility Corporations**.

The President's Council for Business Responsibility

QUESTION 6: A basic question which is likely to arise relates to the ability of a private corporation making decisions to allocate public goods (e.g., land reclamation, recreation areas, public transit systems) to a regional economic system. Critics of private sector participation in the allocation of public goods will certainly raise this point.

ANSWER: This relates to the ability of a **Regional Business Responsibility Corporation** to make decisions to allocate public goods. If the **Regional Business Responsibility Corporations** are to be successful, they are going to have to work hand in hand in getting cooperation, complimenting one another with the public sector, rather than being adversaries. But it will not always be done on the basis of everyone being in harmony; rather, it will entail the cooperation of the majority.

It's no different than running a business.